

## IRS PUBLIC AUCTION SALE

**Property:** 8333 Zitola Terrace, Playa Del Rey, Ca  
3 bedrooms, 2 baths, 2 stories, gross living area 1945 sqft, lot size 6228 sqft,  
built 1956, 506 sqft basement area

**Sale Date/Time:** August 22, 2014 @ 10am

**Sale Location:** Stanley Mosk Los Angeles County Courthouse, Plaza Area, 111  
N Hill St., Los Angeles

**Senior Liens:** LA County Property Taxes; Deed of Trust (Mortgage) Nationstar  
Mortgage LLC

The buyer would be responsible for the senior liens that will remain attached to the property. Los Angeles County Tax Collector for any unpaid property taxes and related assessments. Also there is an unpaid mortgage on this property and the last information we have on the balance reflected an amount due \$376,823.76 - as of 05/2014. According to what I've been told the taxpayer has not made any payments on this mortgage and there is a good chance the mortgage holder may conduct foreclosure actions on the property. The IRS cannot stop a senior lien from taking such action.

If this property was sold at the IRS auction, the buyer will most likely have to resolve the mortgage before the redemption period expires. The redemption period is 180 days from the date of sale.

**Junior Liens:** Notice of Federal Tax Lien, Franchise Tax Board, Judgment Lien, Lis Pendens

The IRS lien and the other junior lien holders will be discharged from the property after the redemption period expires.

If the taxpayer were to redeem, the IRS only requires the taxpayer to pay the successful bidder the winning bid plus interest. Any funds paid on a senior lien to prevent any adverse action would be a civil matter between the buyer and the taxpayer.

**Right title and interest** refers to "ownership interest" and in this case the taxpayer is 100% owner of that property and the buyer will be getting 100% ownership interest. When there are multiple owners on the property the determination would be made as to what that person ownership interest is in the property, 50%, etc. and in that case the IRS would only sell that interest because we can only seize and sell the taxpayers interest.

### **Examples:**

John Doe & Larry Smith, joint, Mr. Smith portion is seized, so the IRS would be selling 50% or ½ interest in the property.

John Doe, Larry Smith, Frank Lane, Bob Park are tenancy in common and Mr Smith portion is seized, so the IRS would be selling 25% or ¼ interest in the property.

I've never been on the inside of the home, but from pictures that were taken by the appraiser the home is in need of repair and maintenance. IRS agreed with the appraised value of \$895,000. Condition – C4 “The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.”

- backyard, overgrown vegetation that needs to be landscaped
- some termite damaged noted on the beams located in the dining area
- bathroom shower on 2<sup>nd</sup> floor leaks to 1<sup>st</sup> floor, information provided by owner
- shingle roof may need to be replaced
- cracks in walls and ceiling noted
- kitchen needs to be remodeled, missing cabinet doors, dishwasher inoperable
- CHA inoperable

IRS personnel has not seen the interior or rear exterior of the property, the conditions mentioned are in the appraisal report. **This appraisal report cannot be given out.**

**Bidding.** If you decide to bid, you can come to auction in person or submit a mail in bid. The mail in bid form is attached to the website notice. Payment terms are, \$30,267 is due upon declaring the property sold and the balance of the 20% of winning bid is due within 1 hour of the sale, the balance of the bid due 09/19/2014. Clarification, if you only bid the minimum bid amount - then \$30,267 would be due on the day of auction. If you bid above the minimum bid amount then you must have 20% of your deposit due and payable at the time of auction - \$30,267 plus 1 hour to get the difference.

**When can I get access to the property?** Because the taxpayer has 180 days to redeem the property and the IRS cannot issue you a deed before that time, you will need to consult CA Local Law to determine if you have to wait out the 180 days or if you can take some type of action during that period of time.

**Title Insurance.** We cannot help you with that, you will have to resolve that yourself.